

Northwestern Medical Center – Fiscal Year 2022 Budget Submission

Responses to the Office of the Health Care Advocate

1. Reimbursement Ratio Relative to Standardized Medicare Reimbursement¹

Please complete the table below regarding actual reimbursement rate relative to Medicare reimbursement rate by payer category for FY2021 (Q1-Q3).

	Ratio of Inpatient Reimbursement to Medicare Inpatient Reimbursement, Standardized by MS-DRG Relative Weights	Ratio of Outpatient Reimbursement to Medicare Outpatient Reimbursement, Standardized by APC Relative Weights
Medicare	1	1
Medicaid	.35	.83
Commercial	.81	1.98

Please note that the data includes Fee For Service encounters only so no effect of fixed prospective payments is incorporated.

Not all outpatient encounters have an APC relative weight. Percent of charge collection rates were used to normalize relative reimbursement rather than APC Relative Weights.

To the extent that your organization tracks the information by commercial payer, please complete the table below for FY 2021 (Q1-Q3). ²

	Ratio of Inpatient Reimbursement to Medicare Inpatient Reimbursement, Standardized by MS-DRG Relative Weights	Ratio of Outpatient Reimbursement to Medicare Outpatient Reimbursement, Standardized by APC Relative Weights
BCBSVT	.80	2.29
TVHP		
MVP		2.08
Cigna		1.96

Inpatient volumes for TVHP, MVP and Cigna were too small to include with any certainty.

TVHP is not tracked.

¹ The HCA has agreed to consider minor adjustments to the data requests in this question. Any updates will be provided to the hospitals as soon as possible and no later than May 1, 2021.

² In light of CMS mandates requiring hospitals to publicly disclose prices by commercial payer, we do not expect that commercial payer contracts limit such disclosure.

2. Hospital Financial Assistance and Bad Debt during COVID-19

- a. In our questions posed during last year's hospital budget guidance, the HCA asked you to report changes related to financial assistance and collections as a result of Covid-19. *Please provide the following updates from the time of your response in last year's hospital budget process:*
 - i. How have you changed your official or unofficial patient financial assistance policies and/or procedures?
 - ii. How has your handling of patient collections changed?
- b. Do you work with collection agencies? If yes:
 - i. Do you sell patient debt to collection agencies? If you do not sell patient debt to collection agencies, please explain how you work collection agencies to collect patient debt.
 - ii. If a patient is overcharged, please explain your ability to correct a bill once the collection agency is involved.
 - iii. How many patients had bills that you sent to collection agencies during the following timespans: (1) Q4 FY2019 and Q1-Q3 FY2020 and (2) Q4 FY2020 and Q1-Q3 FY2021?
 - iv. What is the total dollar amount of bills sent to collection agencies during the following timespans: (1) Q4 FY2019 and Q1-Q3 FY2020 and (2) Q4 FY2020 and Q1-Q3 FY2021?

2.a.i.

In December of 2019, NMC revised its official financial assistance policy. The revisions were made in collaboration with the Office of the Health Care Advocate, and we thank you again for that work and partnership. Changes to the policy included:

- *Increased the income eligibility to 400% of the Federal Poverty Level.*
- *Removed residency restrictions – Patients are no longer required to be a resident of Franklin or Grand Isle County to qualify.*
- *Revised the plain language summary to make it easier to read and understand.*
- *Improvements to our website to make the application and the full policy easier to find.*

We are pleased to report that financial assistance has increased as a result. Our FY2021 year-to-date (October through May) charity care is \$1,316,971. Our FY2020 charity care for the same time period was \$789,928. This is a 67% increase.

We have not made additional changes to our financial assistance policy related specifically to COVID.

2.a.ii

Our handling of patient collections has not changed.

2.b.

Yes

2.b.i

No, we do not sell patient debt to collection agencies. We work with them to ensure they are following NMC's policies and procedures when collecting on our behalf.

2.b.ii

If we become aware that a patient was overcharged, we correct the bill and immediately pass that information along to the collection agency. If the collection agency receives the question/concern directly from the patient, they are contractually obligated to immediately inform us so that we can investigate.

2.b.iii

Timespan 1 – 34,701

Timespan 2 – 25,129

2.b.iv.

Timespan 1 - \$8,700,690

Timespan 2 - \$6,659,245

3. Medicaid Screening Processes

a. Emergency Medicaid

- i. If your organization has written policies regarding screening for emergency Medicaid, please provide them.
- ii. For Q1-Q3 of FY 2021, please provide the number of facility patients screened for emergency Medicaid and the number of facility patients who received emergency Medicaid.
- iii. For Q1-Q3 of FY 2021, please provide the number of labor and delivery patients screened for Medicaid and the number of labor and delivery patients who were covered by emergency Medicaid.
- iv. If your organization has outreach materials on the application process and eligibility criteria Emergency Medicaid, please provide them. Please explain how your patients can access these materials and list the languages that the materials have been translated into.

3.a.i. We do not currently have written policies addressing screening for emergency Medicaid.

3.a.ii. – 3.a.iv. N/A

b. Deemed Newborns

- i. If your organization has written policies regarding screening newborns for Medicaid, please provide them.
- ii. For Q1-Q3 of FY 2021, please provide the number of newborns screened for Medicaid without an application and the number of those newborns who received Medicaid.

3.b.i. NMC does not have any written policies regarding screening newborns for Medicaid. That said all insurances covering the mother, including Medicaid, will cover any newborn care up to discharge. If the baby returns after the initial delivery, they will be considered Self Pay until they are enrolled in a health insurance program. VT Health Connect will screen to determine if the father has access to commercial health insurance. Northwestern OB/GYN works with uninsured patients during their prenatal visits to help them enroll in the appropriate health insurance program prior to delivery.

3.b.ii. For Q1 to Q3 FY 2021 we did not screen any newborns for Medicaid without an application.

4. Please discuss any analyses or tracking your hospital conducts or is considering conducting regarding access to care, care efficacy, or satisfaction among vulnerable populations including, but not limited to,
- a. patients whose primary language is not English,
 - b. BIPOC patients,
 - c. patients with no or intermittent broadband and/or cellular telephone service, and
 - d. patients who are not U.S. citizens.

4. NMC has the privilege of caring for all patients.

4.a. We are monitor overall compliance with the Affordable Care Act to ensure that we are providing appropriate translation to individuals for whom English is a second language and will continuously look for ways to improve.

4.b. The President of Medical Staff in conjunction with Community Relations and Regulatory Affairs is interested in continuing so pursue education and training on cultural and implicit bias for our staff and clinicians. As always we welcome feedback from all members of our community, particularly BIPOC or LGBTQ+ members of our community.

4.c. This is always considered as part of our telehealth and accessibility work, which is why we offer alternatives to tele-health and medical information for patients to access.

4.d. We have not considered this specifically. We do not require proof of citizenship to treat any patient that comes seeking care. As referenced in a, we are consistently reviewing our processes for patients for whom English is not a first language.